

# Target Market Determination GHD Superannuation Plan

Effective date 21 December 2022 | Next scheduled review to be completed by 21 December 2023

## 1. About this Target Market Determination (TMD)

The purpose of this TMD is to set out the class of consumers for whom the GHD Superannuation Plan (this product) has been designed and is considered likely to be appropriate, having regard to the likely objectives, financial situation and needs of that class of consumers.

This TMD also summarises the key attributes of this product but does not describe all its features.

The Trustee of AustralianSuper ABN 65 714 394 898 (the 'Fund') is AustralianSuper Pty Ltd ABN 94 006 457 987.

Before making any decision to acquire this product, consumers should carefully consider the information in the Product Disclosure Statement (PDS), available at [australiansuper.com/pds](https://australiansuper.com/pds) or by calling **1300 300 273**. Consumers may also wish to consider obtaining financial advice<sup>1</sup> before joining this product.

## 2. Product description

This product is an employer sponsored accumulation product designed to manage and invest members' superannuation contributions and earnings for their retirement within the concessional-tax superannuation environment. It offers:

- a range of diversified, single sector and single security investment options to choose from with different investment objectives, levels of risk and expected returns.
- a default MySuper investment option for members who do not make an investment choice.
- automatic basic (default) age-based Death and Total and Permanent Disablement (TPD) cover provided to eligible members that can be cancelled, or varied or increased by application where considered and approved by the Insurer<sup>2</sup>. Income Protection is not provided automatically when joining this product, but members can apply for it anytime.

## 2.1 The target market for this product

A person is in the target market for this product if they are working for GHD, and they want or need:

- an accumulation account with a complying superannuation fund that can receive superannuation guarantee contributions from an employer and any voluntary super contributions.
- the ability to grow their superannuation balance over time in a tax effective environment through contributions and/or investment earnings to help fund their retirement, on meeting a condition of release.
- access to an investment menu that allows for different investment approaches to suit consumers based on their personal risk appetite and objectives, including:
  - a hands-off approach to investment, by investing in a PreMixed investment option.
  - a more hands-on approach to investment, by investing in one or more PreMixed and/or DIY Mix options.
  - a self-directed approach to investment, by investing in one or more PreMixed and/or DIY Mix options and/or cash, term deposits or listed securities via the Member Direct investment option.
- access to automatic basic insurance cover for eligible members, with the ability to tailor insurance cover to best suit their personal situation and life stage.

This product is **not** designed for people who:

- are not employees of GHD,
- are not saving for their retirement, or
- have commenced retirement and need a retirement income (that's paid periodically).



<sup>1</sup> Personal financial product advice is provided under the Australian Financial Services Licence held by a third party and not by AustralianSuper Pty Ltd. Fees may apply.

<sup>2</sup> AustralianSuper insurance is provided by TAL Life Limited (the Insurer) ABN 70 050 109 450, AFSL 237848.

## 2.2 Key product attributes

### Investments

This product gives members access to a range of investment options with different investment objectives, levels of risk and expected return.

Different investment options have different levels of potential return and volatility. Generally, investment options with higher long-term returns are accompanied by a greater potential for volatility in the short term and may be more suitable for members saving for their retirement over the medium to longer term. However, investment options with a lower allocation to growth assets may be more suitable for members approaching or in retirement, who may be seeking capital stability or access to their money in the medium term.

**Under this product, members can invest in one or more of the following investment options:**

#### PreMixed Options

PreMixed investment options are diversified investment options that are designed for members who want to be hands-off. These options are made up of more than one asset class and have different investment objectives, with varying levels of risk, investment timeframes and expected returns.

Investment option	Investment option details
High Growth	<ul style="list-style-type: none"><li>• Invests in a wide range of assets with a focus on Australian and International shares.</li><li>• Designed to have strong long-term growth with possible fluctuations in the short term.</li><li>• Has a minimum investment time frame of at least 12 years.</li><li>• Investment objectives:<ul style="list-style-type: none"><li>– To beat CPI by more than 4.5% pa over the medium to longer term.</li><li>– To beat the median growth fund over the medium to longer term.</li></ul></li></ul>
Balanced (default option)	<ul style="list-style-type: none"><li>• Invests in a wide range of assets such as shares, private equity, infrastructure, property, fixed interest, credit and cash.</li><li>• Designed to have medium to long-term growth with possible short-term fluctuations.</li><li>• Has a minimum investment time frame of at least 10 years.</li><li>• Investment objectives:<ul style="list-style-type: none"><li>– To beat CPI by more than 4% pa over the medium to longer term.</li><li>– To beat the median balanced fund over the medium to longer term.</li></ul></li></ul>
Socially Aware	<ul style="list-style-type: none"><li>• Exclusions are applied to Australian shares, International shares and fixed interest asset classes based on environmental, social and governance screens. The option also invests in a wide range of other asset classes that are not screened<sup>3</sup>.</li><li>• Designed to have medium to long-term investment growth with possible short-term fluctuations.</li><li>• Has a minimum investment time frame of at least 10 years.</li><li>• Investment objectives:<ul style="list-style-type: none"><li>– To beat CPI by more than 4% pa over the medium to longer term.</li><li>– To beat the median balanced fund over the medium to longer term.</li></ul></li></ul>
Indexed Diversified	<ul style="list-style-type: none"><li>• Invests in a range of assets using indexing strategies.</li><li>• Designed to have medium to long-term growth with possible short-term fluctuations.</li><li>• Has a minimum investment timeframe of at least 10 years.</li><li>• Investment objective:<ul style="list-style-type: none"><li>– To achieve a return of CPI + 3% pa over the medium to longer term.</li></ul></li></ul>
Conservative Balanced	<ul style="list-style-type: none"><li>• Includes a higher allocation to fixed interest and cash than the Balanced option.</li><li>• Designed to have medium-term growth with a balance between capital stability and capital growth. May also have some short-term fluctuations.</li><li>• Has a minimum investment time frame of at least 7 years.</li><li>• Investment objectives:<ul style="list-style-type: none"><li>– To beat CPI by more than 2.5% pa over the medium term.</li><li>– To beat the median conservative balanced fund over the medium term.</li></ul></li></ul>
Stable	<ul style="list-style-type: none"><li>• Has an emphasis on fixed interest and cash.</li><li>• Has a higher focus on stability rather than growth.</li><li>• Has a minimum investment time frame of at least 5 years.</li><li>• Investment objectives:<ul style="list-style-type: none"><li>– To beat CPI by more than 1.5% pa over the medium term.</li><li>– To beat the median capital stable fund over the medium term.</li></ul></li></ul>

<sup>3</sup> Refer to the *Investment Guide* at [australiansuper.com/InvestmentGuide](https://australiansuper.com/InvestmentGuide) for additional information on the screens applied to the Socially Aware option.

## DIY Mix Options

DIY Mix investment options are designed for members who want to be more hands-on in constructing their own investment portfolio to match their personal risk appetite and objectives by combining with other investment options. They provide investment exposure to specific asset classes (plus a small proportion of cash) and have different investment objectives, with varying levels of risk, investment timeframes and expected returns.

Investment option	Investment option details
Australian Shares	<ul style="list-style-type: none"><li>• Invests in a wide range of shares in both listed and unlisted companies in Australia with a small allocation to companies in New Zealand.</li><li>• Designed to have strong long-term capital growth with possible short-term fluctuations.</li><li>• Has a minimum investment time frame of at least 12 years.</li><li>• Investment objective:<ul style="list-style-type: none"><li>– To beat the S&amp;P/ASX 200 Accumulation Index (adjusted for franking credits) over the medium to long term<sup>4</sup>.</li></ul></li></ul>
International Shares	<ul style="list-style-type: none"><li>• Invests in a wide range of companies listed on securities exchanges around the world.</li><li>• Designed to have strong long-term capital growth with possible short-term fluctuations in returns.</li><li>• Has a minimum investment time frame of at least 12 years.</li><li>• Investment objective:<ul style="list-style-type: none"><li>– To beat the MSCI All Country World ex Australia Index (unhedged) over the medium to long term<sup>4</sup>.</li></ul></li></ul>
Diversified Fixed Interest	<ul style="list-style-type: none"><li>• Invests in a wide range of Australian and international bonds and loans. This is done through actively investing in the fixed interest and credit asset class sectors.</li><li>• Aims for capital stability and higher returns than cash over the short to medium term.</li><li>• Has a minimum investment time frame of at least 3 years.</li><li>• Investment objective:<ul style="list-style-type: none"><li>– To beat a composite of Australian and International Fixed Interest Indices over the short to medium term<sup>4,5</sup>.</li></ul></li></ul>
Cash	<ul style="list-style-type: none"><li>• Invests in short-term money market securities and some short-term bonds.</li><li>• Designed to have stable returns above the official cash rate. The Cash option can have zero or negative returns after fees, costs and taxes, depending on the level of market interest rates.</li><li>• Has a minimum investment time frame of at least 1 year.</li><li>• Investment objective:<ul style="list-style-type: none"><li>– To beat the return of the Bloomberg AusBond Bank Bill Index over one year<sup>4</sup>.</li></ul></li></ul>

<sup>4</sup> Index level returns, adjusted for implied superannuation tax (where applicable).

<sup>5</sup> From 1 October 2021, the composite consists of 50% Bloomberg Global Aggregate 1-5 Year Total Return Index hedged to AUD and 50% Bloomberg AusBond Composite 0-5 Year Index. Prior to 1 October 2021 CPI + 0.5% pa, prior to 1 July 2015 CPI + 1% pa, prior to 1 July 2013 CPI + 1-2% pa.

## Member Direct Option

Member Direct is our most hands-on option. It is designed for members who:

- are seeking greater control, flexibility and active involvement in managing their investments,
- want access to a range of specific investments including Shares, Exchange Traded Funds (ETFs), Listed Investment Companies (LICs), Term Deposits and Cash, and
- have a minimum ongoing account balance of \$10,000.

The investments available in Member Direct have different risk profiles. For further information, see the *Member Direct investment option* guide at [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect)

Members need to be aware of the risks involved, such as:

- short-term price volatility,
- the consequences of trading too often,
- too little diversification, and
- investing in response to emotions.

## All Options

Investment returns aren't guaranteed. Past performance isn't a reliable indicator of future returns. For more information on Investments, download the *Investment Guide*, available at [australiansuper.com/InvestmentGuide](https://australiansuper.com/InvestmentGuide)



## Insurance

This product provides eligible members access to automatic basic (default) age-based insurance cover (which can be changed or cancelled) designed to provide a minimum amount of cover for members and their beneficiaries in the event of the member's illness, injury or death.

Members can also apply to change their insurance work rating. A work rating classifies the usual activities of a member's job into one of three ratings: Blue Collar, White Collar or Professional. An individual work rating is one of the factors that determines how much a member pays for their insurance cover. When members join the GHD Superannuation Plan and have insurance cover, the cost of their cover is based on a White Collar individual work rating. If an application to change an individual work rating to Professional is accepted, members can pay less for their insurance. Insurance cover with a Blue Collar work rating is the most expensive.

The following cover types are provided in this product:

Cover type	Cover details
Death cover	<ul style="list-style-type: none"><li>• If a member dies while covered, Death cover can help to ease some of the financial stress by paying a lump sum to their beneficiaries<sup>6</sup>.</li><li>• Death cover includes payment for a terminal illness, which can help ease some of the financial stress for members suffering from a terminal medical condition.</li><li>• Automatic basic (default) age-based cover is provided to eligible members.</li><li>• Fixed cover is available from age 15 up to age 70.</li><li>• Members can apply for, change or cancel their cover anytime.</li><li>• There's no limit to the amount of Death cover a member can have.</li></ul> <p><b>Eligibility criteria for members to access automatic basic (default) age-based cover:</b></p> <ul style="list-style-type: none"><li>• aged 25 or older,</li><li>• super balance has reached \$6,000, and</li><li>• has received an employer super contribution after their super balance first reaches \$6,000.</li></ul>
Total & Permanent Disablement (TPD) cover	<ul style="list-style-type: none"><li>• If a member becomes totally and permanently disabled while covered and can no longer work, TPD cover can provide a lump sum payment to help cover costs for rehabilitation, debt repayments and the future cost of living<sup>6</sup>.</li><li>• TPD cover includes payment for a terminal illness, which can help ease some of the financial stress for members suffering from a terminal medical condition.</li><li>• Automatic basic (default) age-based cover is provided to eligible members.</li><li>• Fixed cover is available from age 15 up to age 65.</li><li>• Members can apply for, change or cancel their cover anytime.</li><li>• The maximum TPD cover amount members can have is \$3 million.</li></ul> <p><b>Eligibility criteria for members to access automatic basic (default) age-based cover:</b></p> <ul style="list-style-type: none"><li>• aged 25 or older,</li><li>• super balance has reached \$6,000, and</li><li>• has received an employer super contribution after their super balance first reaches \$6,000.</li></ul>
Income Protection	<ul style="list-style-type: none"><li>• Income Protection isn't provided automatically when joining this product, but members can apply for it anytime.</li><li>• If a member becomes ill or injured (at work or outside of work) while covered and can't work temporarily<sup>6</sup>, Income Protection can provide monthly payments to help them get by.</li><li>• Age-based cover is available from age 25 up to age 70 for a two-year benefit payment period, and up to age 65 for a five-year or age 65 benefit payment period.</li><li>• Fixed cover is available from age 15 up to age 70 for a two-year benefit payment period, and up to age 65 for a five-year or age 65 benefit payment period.</li><li>• Members can apply for, change or cancel their cover anytime.</li><li>• The maximum Income Protection cover members can have is the lower of \$30,000 a month or an amount equal to 85% of the member's monthly (before-tax) salary, excluding employer super contributions.</li><li>• Income Protection benefit payments may be reduced if members are receiving income from other sources.</li></ul>

<sup>6</sup> Eligibility to claim for insurance benefits will be determined by the Insurer in line with our policy terms and conditions.

For more information on Insurance, download the *Insurance in your super* guide, available at [australiansuper.com/InsuranceGuide](https://australiansuper.com/InsuranceGuide)



## 2.3 Consistency between the target market and this product

This product's key terms, features and attributes have been critically assessed and found to be consistent with the likely objectives, financial situation and needs of the class of consumer identified in the target market, for the following main reasons:

- members have access to a range of PreMixed, DIY Mix and Member Direct investment options with varying investment objectives, risk levels and investment timeframes and which cater to a wide range of expected consumer risk appetites and objectives and may be selected in any combination.
- the insurance cover offering provides an automatic basic (default) age-based level of cover to enable consumers in the target market (who meet the eligibility criteria) to alleviate financial burden in the event of illness or injury causing a cessation of work, or death, while also allowing them to apply to tailor their cover to suit their personal situation and life stage.

## 3. Distribution

### 3.1 Means of distribution

A consumer may become a member who holds this product by one of the following means:

- via their employer, where AustralianSuper is the employer's default fund,
- by applying directly, where AustralianSuper is their employer's default fund,
- with the assistance of a financial adviser,
- having their benefit transferred into this product (for example, from another part of the Fund, from another superannuation fund or from the ATO).

### 3.2 Distribution conditions and restrictions

The following distribution conditions and restrictions apply:

- where this product is distributed by an employer, the employer must be registered with AustralianSuper.
- where this product is distributed by a financial adviser, the adviser must be acting in reliance on an appropriate authorisation under an Australian financial services licence and they must limit their regulated conduct to:
  - giving personal advice and arranging for the acquisition of this product to implement that advice, or
  - satisfying themselves that this product is likely to be suitable for the consumer and arranging for the acquisition of the product,and, in either case, giving a PDS for this product to the consumer.
- no third-party distributor may produce advertising, promotional or other material in relation to this product without the Trustee's written consent.

We consider the means of distribution identified for this product to be appropriate. Further, the distribution conditions and restrictions identified for this product are aimed at ensuring that consumers who acquire the product are likely to be in the target market for this product.

## 4. Review triggers

A review of this TMD will be triggered if the Fund:

- makes a material change to the key attributes of this product which affects the members targeted by this product,
- receives, in respect of a calendar quarter, a significant or unexpectedly high number of complaints or adverse feedback in relation to the product's design, attributes, fees or investment performance,
- identifies a significant dealing in this product that is inconsistent with this TMD, having regard to circumstances such as the proportion of consumers, the actual or potential harm and financial loss to consumers, and/or the time period over which consumers who have acquired the product but are not in the target market,
- is notified by the Australian Securities and Investment Commission (ASIC) of serious concerns about the design or distribution of this product,
- commits a significant breach which has a material financial impact on consumers, relating to the design or distribution of this product,
- identifies significant changes in material member-initiated activities, such as investment switching or insurance cancellations, in respect of a calendar quarter that would reasonably suggest the existence of a potential problem with this product,
- makes an adverse determination under the Superannuation Industry (Supervision) Act 1993; following the Business Performance Review and the Legislative Outcomes Assessment (in the context of the member outcome regime).

A review of this TMD will also be triggered if the Australian Prudential Regulation Authority (APRA) determines that this product, or any part of it, has failed the annual performance assessment under Part 6A of the Superannuation Industry (Supervision) Act 1993.

## 5. Review periods

This TMD will be reviewed by 21 December 2023. Thereafter, it will be reviewed:

- at least every 12 months.
- as required, where a review trigger (see section 4) occurs, or where some other event or circumstance occurs that reasonably suggests to the Trustee that this TMD is no longer appropriate.
- when the Trustee otherwise decides to undertake a review.



## 6. Reporting

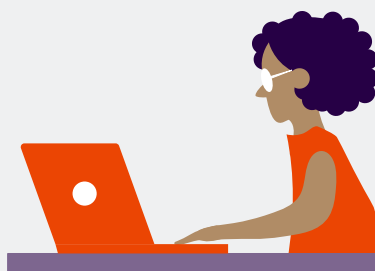
Distributors must report to the Fund on the following basis:

Information about this product to be reported	Frequency
<ul style="list-style-type: none"><li>• The number of member complaints received about this product.</li><li>• Reasonable details of each complaint including the resolution.</li></ul>	Quarterly, within 10 business days after the end of the calendar quarter.
<ul style="list-style-type: none"><li>• Reasonable details of each significant inconsistent dealing, including information of the kind ASIC expects to receive from a product issuer in relation to a significant inconsistent dealing.</li></ul>	As soon as practicable, but no later than 10 business days, after the distributor becomes aware of a significant inconsistent dealing.

### Where to send reports

Send reports to **[ddo@australiansuper.com](mailto:ddo@australiansuper.com)**

For more information on reporting, visit **[australiansuper.com/tmd](https://australiansuper.com/tmd)**



### Contact us

Call **1300 300 273**

(8am to 8pm AEST/AEDT weekdays)

Web **[australiansuper.com](https://australiansuper.com)**

Mail GPO Box 1901, MELBOURNE VIC 3001

Email or message us For details on how to message or email us, visit **[australiansuper.com/contact-us](https://australiansuper.com/contact-us)**



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